

\$500,000 to build and operate. She asked me if I could afford a financial commitment of that nature and I indicated that I could. It was most important for me that I be able to trust Ms. Sample-Day because I would be a passive investor while she would be responsible for making all decisions for the joint venture and the Eldon station.

We agreed to form a partnership in which Sample-Day would have 40% of the equity and complete control. I would have 60% of the entity and supply the financing. I left all of the application process up to her. While I suggested the names of a few consultants and pointed out some lists of broadcast consultants, Carmela was solely responsible for selecting and hiring all of the consultants she felt she would need to prepare and file the Eldon application. I had no role in selecting a tower site, preparing a budget, setting up the partnership's checking account, or preparing publication notices for the application.

In order for me to know how much financing I had to secure, Carmela did tell me over the telephone the total amount needed for the budget. She mentioned the cost of several individual items and that she had gotten her figures from several different sources. I did not question how she arrived at these figures; however, I remember thinking at the time that the numbers seemed to be reasonable.

In addition to being the sole limited partner of Sample Broadcasting Company, L.P., I am Secretary and Treasurer, director and a 25% voting shareholder of O-Town. My interest in O-Town is

an entirely separate business venture from my interest in Sample Broadcasting Company, L.P. As a voting shareholder of O-Town, I have a voice in the operation and management of station KKSI. As a limited partner of Sample Broadcasting Company, my sole involvement is my commitment to provide financing for the applicant and the station. As provided by the terms of the partnership agreement, I am completely passive. I have always honored this commitment and will continue to do so.

There has never been any discussion between Ms. Sample-Day and myself regarding the joint operation or programming between KKSI or O-Town and the proposed Eldon station. I have not spoken about these subjects with anyone else. O-Town has not made any arrangements, nor does it have any plans or understandings with Sample or Ms. Sample-Day regarding the Eldon station. To my knowledge, there are no plans or arrangements to have any type of joint

I certify under penalty of perjury that the attached statement
is true and correct to the best of my knowledge and belief.

4-30-93
Date

Bruce H. Linder
Bruce H. Linder

Standardized Integration Statement for

SAMPLE BROADCASTING COMPANY, L.P.

1. Sample Broadcasting Company, L.P., is a limited partnership.

2. The sole general partner is Carmela Sample, who has 40% of the equity. The sole limited partner is Bruce H. Linder, who has 60% of the equity. The limited partner's interest is not attributable under Commission guidelines.

3. Carmela Sample will be the general manager of the new Eldon radio station, working a minimum of 40 hours per week (full time) there. She will be in charge of all aspects of the station's

SAMPLE
EXH. 4

✓

Federal Communications Commission

Exhibit No. 324

Identified by SMPL

Identified 5/25/93

Received 5/25/93

Rejected B. Lord

Date 5/25/93

station KKSI Eddyville, Iowa; and, an officer and director of Plum Creek Broadcasting Co., licensee of FM station KARL Tracy, Minnesota.

5. Ms. Sample will claim minority enhancement credit as an Hispanic and will claim female enhancement credit if it is permitted.

6. (a.) Ms. Sample has lived within her proposed service area (1 mV/m contour) since November 1988 at the following addresses:

Nov. 88 - Jan. 89 1331 E. Pennsylvania Ottumwa Iowa

8. Sample Broadcasting Company, L.P., will claim credit for installing auxiliary power source so that the new station may continue to operate in the event of a failure of commercial power.

SAMPLE BROADCASTING COMPANY, L.P.

' 2110/93

Date

By C Sample

STANDARDIZED INTEGRATION STATEMENT

I certify under penalty of perjury that the attached standardized integration statement is true and correct to the best of my knowledge and belief.

SAMPLE BROADCASTING COMPANY L.P.

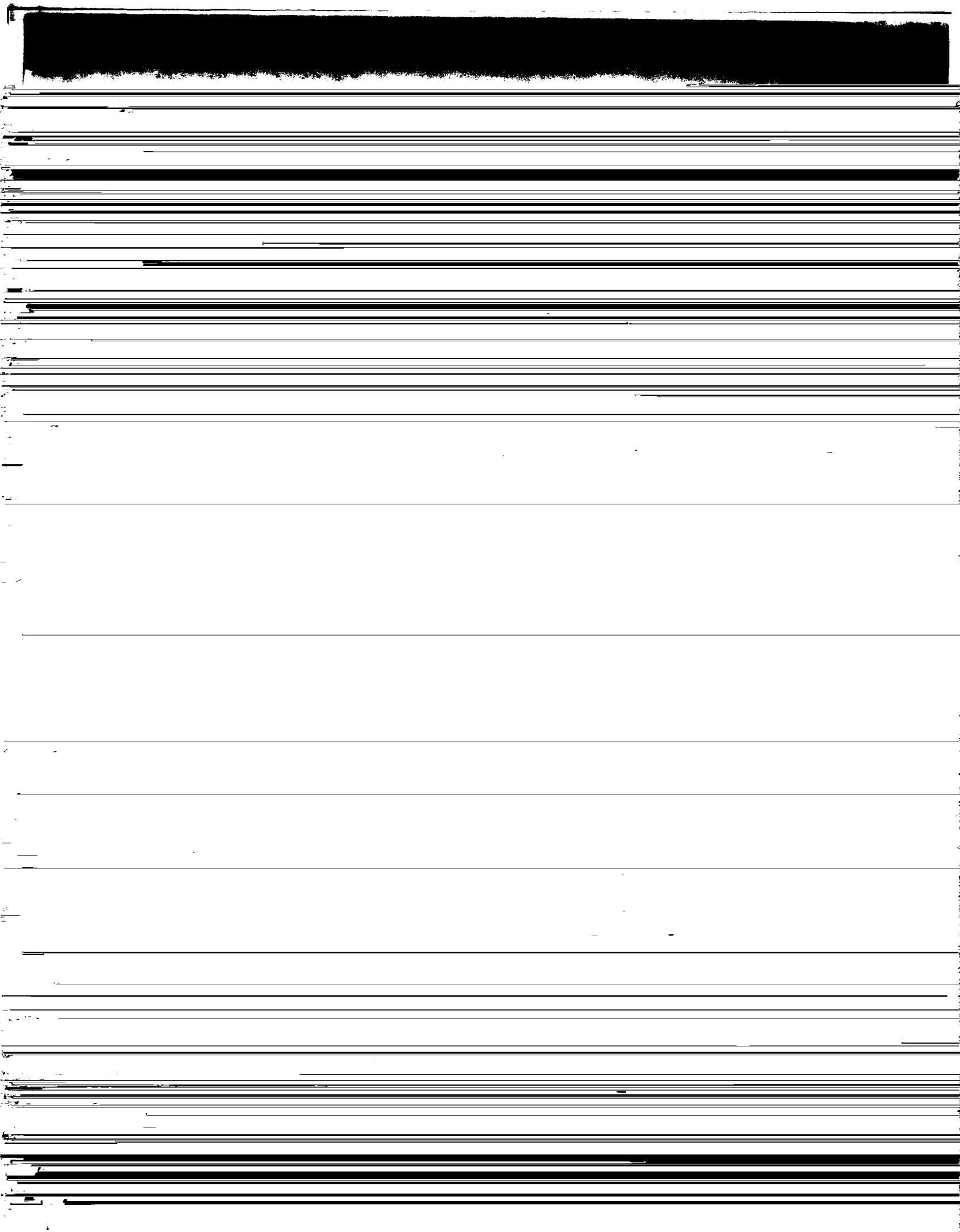
EXHIBIT 5

STATEMENT OF MARK MCVEY

I, Mark McVey, am a 20% owner, officer and director of O-Town Communications, Inc., ("O-Town") licensee of FM station KKSI, Eddyville, Iowa. In addition, I am the chief engineer for KKSI. I offer this statement as evidence in the hearing before the Federal Communications Commission on the application of Sample Broadcasting L.P., for a new FM station at Eldon, Iowa. I am aware that issues have been added against that applicant based upon statements I allegedly made.

I first learned that the FCC had allotted a channel to Eldon in 1991. I immediately thought that it would be a good business opportunity for O-Town to apply for and acquire the Eldon station and operate it jointly with KKSI. I thought that O-Town would be a more valuable company if it owned more stations, and that it could achieve economies of scale by joint operation.

I knew that the FCC had a policy that prohibited common ownership of FM stations with overlapping city-grade signal contours, and I thought that this might be a consideration should O-Town want to pursue the channel. Without discussing the matter with anyone, I called Owl Engineering and commissioned a study to show me whether it would be possible for O-Town to own both stations without city-grade contour overlap. I received a map showing the area to locate an Eldon site to avoid city-grade



overlap with KKSI in early August 1991. After getting this map I mentioned the Eldon channel to Bruce Linder, telling him that O-Town could own both stations under the FCC's rules, but he showed no interest in filing for the channel. I did not consider applying for the station in my own name because I did not have the necessary financial resources and did not believe I could obtain them.

I frequently notify the principals of O-Town of filing windows for new channels in hopes that they would be willing to expand the corporation's holdings. These suggestions have never been pursued by the company, however. For example, I suggested a filing opportunity on a channel at Arkansas City, Kansas, which was not pursued.

Several weeks after I received the overlap information from Owl Engineering, Carmela Sample approached me and said that she was interested in filing for the Eldon channel. She asked me to describe what was involved in the process, and whether I thought that the Eldon channel was a good idea. I told her that I thought that it was a good idea and had wanted O-Town to file for the channel.

Later, Ms. Sample approached me with questions about what general equipment would be needed to build a new station and its cost. I reviewed some of her budget with her and gave her information on new and used equipment suppliers.

At another time, I seem to remember her calling me with questions about locating a tower site. I suggested that she obtain detailed 7.5 minute maps. After she obtained the 7.5 minute maps,

she said that she did not understand the maps and needed some help locating a transmitter site for her proposed station. I explained what the markings on the maps signified. She asked me to point out the best land area on the 7.5 minute maps for locating a transmitter site in order to serve Fairfield, Keosauqua, Bloomfield and Ottumwa. I told her that we would need to look at the land in

overlap with KKSI, I assumed that her tower site would need to protect the 70 dBu contour of KKSI. I did not ask Ms. Sample to confirm this assumption but it was considered by me when I assisted her in looking for a tower site. At the time that I assisted Ms. Sample in locating the tower site I knew that she had joined with Bruce Linder to file the application, but was unaware of the terms of the arrangement between them. I assumed that Sample Broadcasting was a corporation and that Mr. Linder would be a voting shareholder in the Eldon application, similar to his voting interest in O-Town. I did not discuss with Ms. Sample or Mr. Linder the relationship between them or the substance of their agreement. I did not attempt to confirm my assumption. It was apparent that Ms. Sample was taking the lead in preparing the application.

In June of 1991, before the FCC allotted the FM frequency to Eldon, I had a conversation with David Brown in which we talked generally about how radio stations operate. Brown was the petitioner for the Eldon allotment and subsequently became a principal in Rivertown Communications Co., Inc., another applicant for the Eldon station in competition with Sample.

he attributes to me, but am unable to provide evidence that I did not say them.

While I am an officer of O-Town Communications, Inc., I want to emphasize that any conversations I have had with Mr. Brown were not in my official capacity. I have no authority to make policy for KKSI-FM on my own, and was not authorized to speak for KKSI-FM. It is possible that the potential new FM station at Eldon was mentioned during our 1991 conversation inasmuch as it was one of Brown's projects. If such were the case, I likely would have remarked that start-up operations can be very expensive, as I learned from my own experience starting KKSI as a brand new station. I was also familiar with local marketing agreements, known as LMAs, which were beginning to be used by stations as a way of keeping their costs down. Had I put these two areas of knowledge together, I might have suggested to Brown that, in my opinion, it could make sense for any new permittee at Eldon, including him, should he receive the construction permit, to consider a programming arrangement with a station such as KKSI. I also thought that it might make sense for KKSI-FM to consider such an arrangement because it would give the station a broader coverage area. In June 1991, before the channel was allocated, I had no idea who might be the permittee at Eldon or what their programming plans might be for the station.

I had not spoken to anyone connected with KKSI about this subject prior the time of my conversation with Brown in 1991; anything I might have said then was strictly my own brain-storming.

In June 1991, I had no knowledge if O-Town, or anyone associated with O-Town, would file an application for the Eldon channel should it be allotted.

I have known David Brown for about ten years and have worked with him on many projects. Over this time I have had a personal and professional relationship with him; I have loaned money to him. Mr. Brown has often tried to convince me that the Linder family is taking unfair advantage of my services and that I am being used for my engineering ability. I have never believed this to be the case. I am very thankful to know the Linders. They were instrumental in saving my investment in station KKSI when my original financing source died and I was having difficulty locating a substitute source. I work at KKSI and want to see it and O-Town succeed to the greatest extent. I am quite pleased that the station has developed beyond my original expectations.

O-Town's development has not been without frustration for me, however. Many of my ideas for the station have been rejected by the other shareholders of O-Town. For example, my ideas about applying for the Arkansas City, Kansas, station, a different studio location, that the station should be more regional in its appeal, about certain equipment purchases and about certain hiring choices have not been adopted. While I realize that as a 20% voting shareholder I cannot force O-Town to take any specific actions or adopt my suggestions, I admit to becoming frustrated and even angry from time to time that more of my suggestions are not implemented. These feelings have sometimes resulted in mean-spirited statements

about my fellow principals which are not based in fact.

With respect to the conversation with Brown of January 18, 1992, to the best of my recollection, we spoke at about 3 A.M. While I was working on a transmitter at KKMI-FM, Burlington, Iowa. I am aware that Mr. Brown claims it was earlier in the evening. In any event, the hour was late. Again I do not have a complete recollection of what was said. I know I was tired.

Brown claims I made certain statements regarding the intent of Bruce Linder and his family for the Sample application. I cannot deny making them, as my recollection of the conversation is incomplete. I recall that I was talking about some of my frustrations at KKSI as these had been no secret from Mr. Brown during our friendship. Brown said that he and John Pritchard were interested in purchasing KKSI, and that under their ownership there would be management changes and a more streamline operation. He also suggested that I should end my association with the Linders and join with Mr. Pritchard when he purchased KKSI. I told Mr. Brown that I could not authorize the sale of the station and that he should speak with Bruce or Donald Linder.

If I made the statements David Brown alleges, I am sure that they were the result of my feelings of frustration that more of my suggestions at KKSI were not adopted; they were not based on fact or personal knowledge. I had no knowledge of any facts and was not aware of discussions which would have led me to make such statements. I never discussed with anyone a possible motive for the filing of the Sample application. I have not seen anything in

writing on this subject. I was not speaking on behalf of O-Town. If I made any of the statements ascribed to me by Brown, they were nothing more than off-hand comments made against Bruce Linder at a time when my frustration about KKSI was heightened.

Brown says that I indicated Sample would rebroadcast KKSI. What I remember on this subject is Brown asking me whether Sample Broadcasting would have an LMA with KKSI-FM, should it get the station. I believe that I responded to the effect that whoever got the permit at Eldon should seriously consider a joint programming arrangement. I was not aware of Ms. Sample's plans for operating the station and would have had no basis to describe as a fact anything about her programming plans. I had not spoken to Mr. Linder, Ms. Sample, or anyone else about plans for the Eldon station, and had seen no documents describing any plans. I was unaware of any plans or proposals O-Town may have had with respect to the Eldon station.

Brown reports that I offered the opinion that Bruce Linder will be controlling Ms. Sample and her station; if I said it, it was my feeling at the time due to my personal frustration. Again, there is no factual basis for me to make such a statement. At that time I still had no knowledge of any of the arrangements between Ms. Sample and Mr. Linder, and did not know whether Mr. Linder planned to be an active or passive owner. He never told me that he would try to control Carmela. I have since learned that Ms. Sample is to be in complete control of the Eldon station, and Mr. Linder will be passive. I have known Ms. Sample and Mr. Linder for a

number of years and have every reason to believe that their operation will be completely above-board and that they will conform to all representations they have made to the FCC.

I could very well have stated to David Brown that it was possible for the owner of KKSI to own the Eldon station. If John Pritchard was going to buy KKSI, I probably volunteered that he could own the Eldon station, too. However, this was based on my personal investigation in the summer of 1991 into whether O-Town could own and operate both stations. It is certainly possible that David Brown misunderstood my statements. Neither Carmela Sample nor any member of the Linder family ever indicated to me that Sample's tower site was selected to avoid signal overlap with KKSI so as to allow Bruce Linder to have ownership in the Eldon and Eddyville stations.

I have spoken to Ms. Sample on occasion about the progress of her application, as we work for the same station and have the opportunity to see one another from time to time. Our conversations in this area are generally short, and we do not get into detail. She has always been very enthusiastic about the opportunity the application presents for her to manage the Eldon station and get into station ownership. However, she has never detailed any of her plans with me. She has always come across to me as a serious and independent applicant.

In sum, I have no knowledge of the reasons why the Sample application was filed other than Carmela Sample's statements that she wants to get into station ownership. I have no basis to

believe that it was filed to delay action upon any other application or to keep another applicant from being granted. I have no knowledge nor reason to believe that anyone other than Ms. Sample has been and will continue to be in full and complete control of the Sample partnership.

Although I have thought that it makes economic sense, I have no knowledge of any plans or understanding to duplicate the programming of KKSI-FM on the Eldon station, regardless of who receives the construction permit. I am not aware of any discussions in which a possibility was considered by anyone with the authority to make such a decision at KKSI.

I had no role in independently selecting the Sample transmitter site. Ms. Sample described to me her desire to serve areas to the southeast of Eldon. I helped her to locate a tower site which would meet her objectives in connection with my unfounded assumption that it was necessary for Ms. Sample to locate her tower to protect the KKSI 70 dBu contour. I did not consult with Bruce Linder or anyone else about the site Ms. Sample selected. Furthermore, I am not aware of any discussion or conversations in which a desire to avoid overlap with KKSI-FM's contour was a consideration in Carmela Sample's selection of a transmitter site.

I hold a First-Class Radiotelephone license and am a principal in a broadcast licensee. It is my responsibility and desire to be completely honest with the FCC. This statement is candid and made to answer and explain the circumstances under which I might have made any comments to David Brown about Bruce Linder, Carmela

Sample, or their proposal for a new station at Eldon. I regret any comments I may have made which gave anyone the impression that KKSI and the Eldon station would be jointly operated or that Bruce Linder would control Carmela Sample or be in charge of the Sample application. As I have discussed, I have no fact to support such comments.

I certify under penalty of jury that the above statement is true and correct to the best of my knowledge and belief

May 10, 1993

Margie

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In re Applications of)	MM Docket No. 92-316
)	
RIVERTOWN COMMUNICATIONS CO. INC.)	File No. BPH-911008ME
)	
SAMPLE BROADCASTING COMPANY, L.P.)	File No. BPH-911010MA
)	
For Construction Permit)	
for a new FM Station on)	
Channel 282C3 in Eldon, Iowa)	

To: Administrative Law Judge
John M. Frysiak

RECEIVED

MAR - 2 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

REQUEST FOR ADMISSIONS

Sample Broadcasting Company, L.P. ("Sample"), by its
attorney, and pursuant to Section 1.246 of the Commission's
rules. hereby requests Rivertown Communications Co., Inc..



<u>Federal Communications Commission</u>	
Docket No. <u>92-316</u>	Exhibit No. <u>3#6</u>
Presented by <u>SAMPLE</u>	
Disposition	Identified <u>5/25/93</u>
	Received _____
	Rejected _____
Reporter <u>D. Loe</u>	
Date _____	

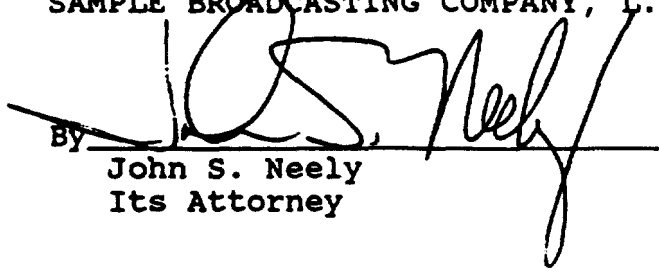
Rivertown shall respond to this Request within ten days of the date hereof. Failure to respond shall be deemed an admission of the facts set forth herein.

FACTS TO BE ADMITTED

1. On October 8, 1991, David W. Brown was employed as General Manager at radio station KKMI(FM) Burlington, Iowa.
2. Rivertown's construction permit application was accepted for tender by the Commission on January 30, 1992.
3. The last date for Rivertown to file an amendment as of right was March 2, 1992.
4. David W. Brown commenced employment as General Manager of AM station WAIK and FM station WGBQ Galesburg, Illinois, on May 26, 1992.
5. Mr. Brown's employment at WAIK/WGBQ was first reported to the Commission in Rivertown's amendment filed on July 7, 1992.
6. The July 7, 1992, amendment was the first submission to the Commission in which Rivertown indicated that Mr. Brown would resign his employment at WAIK/WGBQ upon grant of its Eldon application.

Respectfully Submitted,

SAMPLE BROADCASTING COMPANY, L.P.

By 
John S. Neely
Its Attorney

March 2, 1993

Miller & Miller, P.C.
P.O. Box 33003
Washington, DC 20033

CERTIFICATE OF SERVICE

I hereby certify that on this 2 day of March, 1992, a copy of the foregoing document was placed in the United States mail, first class postage prepaid, addressed to the following:

Norman Goldstein, Esq.
Mass Media Bureau, Hearing Branch
Federal Communications Commission
Washington, DC 20554

Donald E. Ward, Esq.
Law Offices of Donald E. Ward, P.C.
P.O. Box 286
Washington, DC 20044-0286

Robin Zuer